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SUBJECT: FRENCH IN AGREEMENT ON BELARUS SANCTIONS

REF: PARIS 2252

Classified By: POLITICAL MINISTER COUNSELOR JOSIAH ROSENBLATT, FOR REAS
ONS 1.4 B/D

11. (C) Summary: DAS Kramer met April 11 with interlocutors from the MFA and Treasury to discuss next steps on Belarus. The French agreed on the utility and necessity of targeted financial sanctions against key members of the Belarusian regime and believed that the EU would come to consensus on this relatively quickly. In a follow-up to messages passed during A/S Fried's recent visit (reftel), they also raised Ukraine (urging an open mind towards leader of the Regions Party Rinat Akhmetov), and the frozen conflicts (in particular the need for Russia to play a helpful role). End summary.

12. (U) DAS David Kramer, EUR/UMB Alan Purcell and Treasury/OFAC Jennifer Fowler met April 11 with MFA A/S-equivalent for non-EU Europe Jean-Francois Terral and DAS-equivalent Aurelia Bouchez and later with Treasury Sanctions chief Vincent Guitton. POL M/C Josiah Rosenblatt, ECON Otto Van Maerssen and POL Peter Kujawinski (note taker) accompanied.

BELARUS

13. (C) Kramer complimented the just-announced EU visa ban against Belarus leaders, saying there was no doubt it got the attention of the regime. He added that the U.S. would finalize its own list soon, although it would not be public. The goal, said Kramer, was to target people who have real responsibility in the regime, to include some journalists and judges. In general, the EU and the U.S. list would be very similar, said Kramer. Terral said he wondered if the EU list was too narrow and thought perhaps the EU should have expanded its targets to include certain journalists, as had the United States. He asked if the U.S. visa ban list could be shared with France; Kramer said he would see what could be done.

14. (C) In the meeting with Terral and later with Guitton, Fowler presented the U.S. system of financial sanctions, and noted that targeted sanctions against Belarusian leaders would probably be similar in construction to those against targeted leaders in Zimbabwe. In order to implement these

sanctions, the U.S. would need to build cases against each person on the list. Terral and Guitton both noted that EU financial sanctions against Belarus leaders would have to be agreed upon by all EU members in consensus. Terral said most EU members would have no problem with this, but the "Nordics" might prove difficult. Later, though, Guitton said he did not think any EU country would block consensus on financial sanctions. Guitton noted that Switzerland would be an important country to engage on this issue, given that it was in the center of Europe but not an EU member. Kramer agreed and said it would be worthwhile to engage the Swiss on this. Bouchez stressed that France wants financial sanctions to be targeted, to avoid hurting the country's economy and creating the impression that the West wants to punish the people of Belarus. Kramer said the U.S. shared this concern.

15. (C) Turning to political matters, Terral reiterated his points raised with A/S Fried (reftel), namely, that opposition leader Alexander Milinkevich should be dissuaded from visiting European capitals such as Warsaw and Vilnius to avoid these trips being used against him in Belarus and Russia. Terral added that it still might be possible to "sell" Milinkevich to Moscow. Kramer said this would likely be difficult, but it was worth trying. He said that it was important for Milinkevich to spend time in Belarus to avoid being seen as a pawn of the West. Kramer said U.S.-EU dialogue on Belarus was of great importance, and it was important to maintain our common position. Terral agreed.

UKRAINE

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16. (C) Terral said that a revamped Orange coalition would be the best solution to the recent electoral impasse. Still, he did not believe a Yushchenko/Yanukovych coalition would be impossible to work with. The worst, said Terral, is no coalition at all. He doubted that President Yushchenko and former PM Yulia Tymoshenko would be able to surmount their personal differences, and speculated that the recent gas deal with Russia would be a breaking point, because Tymoshenko would insist on revisiting it. Terral added that Regions leader Rinat Akhmetov was pragmatic and that his ascension to power would not be "catastrophic." France believed that democratic change had advanced sufficiently in Ukraine such that no matter who was in the coalition, there "would not be a u-turn." Kramer said the U.S. was encouraging an Orange coalition, and saw that Tymoshenko had been through a learning curve. On Akhmetov, he cautioned that the Regions leader had blood on his hands, and continued to have links to organized crime. Terral and Kramer agreed that Russian price increases for gas delivered to Belarus and Ukraine had the potential of being politically and economically disruptive. Kramer said the U.S. had no objection to Russia seeking a market price for its natural gas, although any increases should be gradual to avoid severe hardship.

RUSSIA/G8/FROZEN CONFLICTS

17. (C) Terral said he thought that in the context of its G8 Presidency, Russia would be more amenable to discussing Belarus, Moldova/Transnistria and Nagorno-Karabakh, but thought the frozen conflicts in Georgia would be a non-starter. Kramer said he hoped Russia would play a helpful role, but added that the international community does not have the luxury of putting aside Georgia. In response to Terral's statement that the U.S. can moderate Georgian President Saakashvili, Kramer said the U.S. can influence him, but cannot control him. In general, said Kramer, the high price of natural gas has made the Kremlin self-assured, making the Russians more assertive and aggressive towards their neighbors and the West. Terral agreed that the

Russians were behaving badly.

18. (U) DAS Kramer did not have an opportunity to clear this message.

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